



HOUSE BUDGET COMMITTEE

Democratic Caucus

The Honorable John M. Spratt Jr. ■ Ranking Democratic Member

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A VOTE FOR THE BUDGET RESOLUTION CONFERENCE REPORT IS A VOTE TO RAISE THE DEBT CEILING

...the vote on the conference report as far as the House is concerned is the vote on the debt ceiling.

Majority Leader Tom DeLay
The Congressional Record
April 3, 2003
Page H-2810

Dear Colleague:

The Republican budget resolution conference report, coming to the floor this week, will include a House bill that raises the statutory limit on the public debt.

In a repudiation of their own “Contract With America,” Republicans this past January revived a House Rule (Rule XXVII in the current rules) that deems passed by the House a Joint Resolution that increases the debt ceiling whenever a budget resolution conference report is enacted.

In fact, according to Rule XXVII, a vote for the budget resolution conference report is a vote to increase the debt limit ***eleven times*** — once for every year that is covered by the budget resolution, which in this case includes the current fiscal year plus ten years in the budget window. The ultimate increase in the debt limit could be about \$5 trillion, to more than \$11.5 trillion.

In the 1990s, while the Democratic Congress actively made the tough choices necessary to solve the deficit problem, this rule made sense. Increasing the debt limit was the responsible thing to do — to keep the government running for the people, and to protect the gilt-edged credit rating of Treasury securities. In contrast, at this time, the administration and the Republicans in Congress want to enact policies that make already worrisome deficits even worse. The debt limit now is performing its intended function: to provide a wake-up call, and to force careful consideration of policies with serious long-term consequences.

Accordingly, Members who are concerned about the irresponsible policies enabled in the budget resolution — particularly the reconciliation protections for still more large and unfair tax cuts — must think even more carefully about the damage of a resulting House debt-limit bill.

Acceptance of the current budget resolution would be particularly troublesome in this regard, because Rule XXVII provides that the spin-off debt-ceiling increase shall include a new debt limit “for each period” covered by the resolution. So for this resolution, which will show deficits and rising debt for virtually the entire budget window, the resulting debt-limit increase bill could enable continuation of the Republicans’ irresponsible budget policies for a full decade.

Of course, the Republican leadership can, and frequently does, waive the rules; and so a debt-limit bill different from that prescribed in Rule XXVII could be deemed passed. And for that matter, given the current state of the budget under the Republican policies, the debt could worsen even faster than the budget resolution envisions, and so the debt-limit bill could prove inadequate for even the first year. However, whatever factors might affect the ultimate significance of the spin-off bill, Democrats should beware of voting to provide a debt-limit blank check for the irresponsible Republican policies embodied in their budget resolution.

Sincerely,

John M. Spratt, Jr.
Ranking Democratic Member